



[SEC File No. 270-780, OMB Control No. 3235-0733]

**Proposed Collection; Comment Request; Extension: Rule 194**

Upon Written Request, Copies Available From:  
Securities and Exchange Commission  
Office of FOIA Services  
100 F Street, NE  
Washington, DC 20549-2736

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) is soliciting comments on the existing collection of information provided for in Commission Rule of Practice 194, (17 CFR 240.194), under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.). The Commission plans to submit this existing collection of information to the Office of Management and Budget (“OMB”) for extension and approval.

Rule of Practice 194 provides a process for security-based swap dealers and major security-based swap participants (collectively, “SBS Entity”) to make an application to the Commission for an order permitting an associated person who is subject to a statutory disqualification to effect or be involved in effecting security-based swaps on behalf of the SBS Entity. Rule of Practice 194 specifies the process for obtaining relief from the statutory prohibition in Exchange Act Section 15F(b)(6), including by setting forth the required showing, the form of application and the items to be addressed with respect to associated persons that are natural persons. An SBS Entity is not required to file an application under Rule of Practice 194 with respect to certain associated persons that are subject to a statutory disqualification, as provided for in paragraph (h) of Rule of Practice 194. To meet those requirements, however, the SBS Entity is required to file a notice with the Commission.

It is estimated that approximately 50 entities may fit within the definition of security-based swap dealer and up to five entities may fit within the definition of major security-based swap participant—55 SBS Entities in total. The Commission anticipates that, on an average

annual basis, only a small fraction of the natural persons at an SBS Entity would be subject to a statutory disqualification. Accordingly, based on available data, the Commission estimates that, on an average annual basis, the Commission would receive up to five applications in accordance with Rule of Practice 194 with respect to associated persons that are natural persons, and five notices pursuant to proposed Rule of Practice 194(h) with respect to associated persons that are natural persons. The Commission estimates that the average time necessary for an SBS Entity to research the questions, and complete and file an application under Rule of Practice 194 with respect to associated persons that are natural persons is approximately 30 hours, for a total of approximately 150 burden hours per year for all SBS Entities. The Commission estimates that approximately five SBS Entities will provide notices pursuant to Rule of Practice 194(h) for one natural person each on an average annual basis taking approximately 6 hours per notice, for a total of approximately 30 burden hours per year for all SBS Entities providing the notices for an estimated five natural persons. As such, the combined estimated annual hour burden for all SBS Entities to complete applications and notices pursuant to Rule of Practice 194 is approximately 180 hours per year (150 + 30).

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION OF THIS NOTICE IN THE FEDERAL REGISTER]**.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

Please direct your written comments to: David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John Pezzullo, 100 F Street, NE, Washington, DC 20549, or send an e-mail to: [PRA\\_Mailbox@sec.gov](mailto:PRA_Mailbox@sec.gov).

Dated: July 8, 2022.

J. Matthew DeLesDernier,  
Assistant Secretary.

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